

From: curtisprins@aol.com
Sent: Thursday, February 05, 2009 1:32 PM
To: _Board Mail
Subject: Letter to board

Following letter has been sent to all three board members. Hard copy to follow.

Curtis A. Prins
PO Box 226
Middleburg, Virginia 20118

February 4, 2009
Hon. Michael E. Fryzel
Chairman
NCUA
1775 Duke St.
Alexandria, VA 22314-3428

Dear Mr. Chairman:

I am writing to express my opposition to NCUA's decision to bail out US Central Corporate Credit Union and requiring credit unions, that played no part in the debacle, to pay for the clean-up.

I have been a credit union member for more than 50 years and have served as a director of Wright Patman Congressional Federal Credit Union for 35 years. For 30 years I served on the staff of the U. S. House of Representative's Banking Committee and during that period was the staff person responsible for all credit union legislation. I came up with the idea for the National Credit Union Administration and drafted the legislation for then Chairman Wright Patman.

I cite this information solely for the purpose of showing that I have some knowledge of the workings of credit unions and their regulators.

For decades, the commercial banking industry has sought to damage credit unions. The actions of your board will do more to damage credit unions than all of the attacks of the bankers. Your board has never once acknowledged that it played any role in the problem with US Central, even though your agency, I am told, had a full-time examiner on site for more than a year.

My credit union long ago sought to avoid investments in corporate credit unions because of the poor management of these institutions, their less than safe investment policies and the limited oversight by regulators. Now, despite our prudent decision, based on protecting our members savings, we will now have to pay for the actions of a poorly managed, rate chasing corporate.

You have blamed the problems at US Central to changes in the economy and losses in investments. Those may have been the final straw but in reality, US Central has been mismanaged for years and your agency did nothing to correct the problem. You let the institution run amok and now you want well run credit unions to solve the problem.

You have decided to bail out US Central without letting anyone know the full facts of the financial situation of the credit union. What are its current assets? Certainly there must be some value. Why not liquidate the credit union and use those assets to pay depositors and then consider assessing the industry to make up the difference.?NCUA openly condones the operations of US Central by the very fact that it has not removed its board of directors or senior management. What will preclude those people from making the same bad decisions in the future that led to the current problem.

US Central did not get into trouble overnight. Why didn't NCUA take action to correct US Central's poor management and investment decisions long ago? In fairness to all credit unions and their millions of members, the entire board should resign and give President Obama an opportunity to appoint a board that will actually protect the safety and soundness of the system. Sincerely,

Curtis A. Prins

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